

**REMARKS**

At the time the Final Office Action issued, claims 1 to 16 were pending. Responsive to an Election/Restriction made in the Office Action mailed 27 September 2005, Attorney respectfully elects – without traverse – claims 1 to 15, as identified under sub. I in the Office Action.

Furthermore, new dependent claims 17 and 18 are presented, of which entry is kindly requested.

Claim 17 contains the subject matter of original claim 16, but cast in a dependent form depending on original claim 15. Claim 15 mentions a bottom hole assembly comprising a drill steering system. According to lines 23-25 on page 10 of the specification, the mud motor is an embodiment of the drill steering system. Hence, there is basis in the original filing documents for combining the subject matter of original claim 16 relating to the mud motor with the subject matter of claim 15 relating to the bottom hole assembly.

Claim 18 is based on the feature disclosed on page 22 lines 29-30 of the original application.

Hence, the new claims 17 and 18 do not constitute addition of new subject matter.

Respectfully submitted,

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